

Northway Activity Report

John Fischer, LGS/RUBA, Northern Regional Office

General Information:

There was one visit made during this reporting period to Northway. Health corporation personnel accompanied John Fischer, RUBA staff, for the purpose of a rate review on the flush haul system, as well as assistance in setting up new budgets for the flush haul, general fund, and other Northway funds. Information gathered at the end of the reporting period would indicate that there is a failure of staff to follow through on the budgeting work and that things are generally at a standstill. Northway staff have requested additional RUBA help regarding the accounting, the QuickBooks Pro and bank reconciliations. So far this help has not been forthcoming since Northway staff have not demonstrated that they have the desire and the capability to maintain these functions.

A formal audit for calendar year 1999 is still underway. Reports from the auditor indicate that there will be some questioned costs and reportable conditions. Auditors have been in contact with RUBA personnel and will forward the schedule of findings and questioned costs as soon as it is completed. Auditors plan an additional trip to Northway to assist the village with some computer matters, accounting irregularities, and preliminary audit conference with administrator and village president.

Observations and Recommendations:

Finances — Once again the monthly financial statement and budgets have been discussed with staff. No progress on utility budget was noted.

Accounting Systems — Reconciliations are behind from October 2000 to date.

Tax Problems — IRS has said that their records show one missing 941.

Personnel System — Personnel policies and procedures is still being worked on. Little progress to date.

Organizational Management — Lack of internal controls have accelerated organizational management problems.

Leadership/Governance — The council is still not providing adequate direction/governance. There is still one vacant council position left from the upheaval of leadership which occurred in the Summer of 2000.

(Continued on next page.)

Operation of Utility — Failure to follow practice and procedure which is already in place has slowed effectiveness of system and financial viability of flush haul system.

Ranking

1 = Inadequate

4 = Adequate to meet minimum requirements

7 = Exceeds requirements

Category	1	4	7
Finances		X	
Accounting Systems	X		
Tax Problems		X	
Personnel System		X	
Organizational Management		X	
Leadership/Governance		X	
Operation of Utility		X	